

California Uniform Construction Cost Accounting Commission

Minutes of Friday, April 8, 2016 In Person and Teleconference

These draft minutes are not official and are subject to change until approved by the Commission at a subsequent public meeting.

1. Call to order

Linda Clifford, Chair called the meeting to order at 10:05 am.

Present: Linda Clifford, Will Clemens, Robert Campbell, Michael R. Hester, George Hicks, Ken Kayser, *via teleconference:* Guiselle Carreon, David Cruce

Absent: Jeff Armstrong, Eddie Bernacchi, Cesar Diaz, Lisa Ekers, Steven L. Hartwig, Nathaniel Holt

Guest: Shari Bacon, Construction Industry Force Account Council (CIFAC)
Michelle Tucker (CIFAC)

State Controller's Office: Ana Garza, Jenny Jones, Debbie Torres, Michael Gungon, Heather Asprey

a. Voting by Roll Call

The Commission recognized all votes will be taken by roll call when one or more Commissioners participate in the meeting via teleconference, pursuant to the Bagley-Keene Open Meeting Act Government Code (GC)§11123.

2. Introduction

The Commissioners, staff, and guests all introduced themselves. Attendance was taken and a quorum was established when David Cruce, from Papich Construction representing general contractors, joined by phone from a Papich Construction Company Inc., in Fresno, at a location previously publicly noticed. No members of the public were in attendance at either of the remote locations listed in the meeting notice and posted on the CUCCAC website.

3. Oath of Office

Chair Clifford administered the Oath of Office to Ken Kayser, who was appointed by the Controller on February 8, 2016, to represent General Contractors. Chair Clifford asked Commissioner Kayser to give a brief history of his background in the construction industry working for general contractors. Commissioner Kayser outlined his extensive experience in general contracting in the state of California over the last 35+ years.

4. Approval of the Minutes (Refer to attachment Item 4)

a. Meeting held on January 28, 2016

The January 28, 2016 meeting minutes were approved with the following amendments brought forth by Commissioner Campbell and Commissioner Carreon:

- Commissioner Campbell
 - o On page 6, the first sentence of the last paragraph needed correction to clearly state “several stacks of K-rails”.
 - o On page 7, the first sentence of the 9th paragraph required the insertion of the date “September 25, 2015” after “letter dated”.
- Commissioner Carreon
 - o On page 3, the last sentence of the 6th paragraph needed to state “piggybacking contracts” is disallowed for services and labor for all public agencies, including school districts.
 - o On page 3, the 7th paragraph required “overview” to be replaced with “legal determination”.

Commissioner Hicks, moved to approve the minutes, including all amendments. Commissioner Hester seconded the motion. **(The motion passed on a roll call vote with 7 yays, 0 nays, and one abstention by Commissioner Kayser, who was not in attendance or a member of the Commission on January 28, 2016).**

5. Commission Update (Refer to attachments for Item 5)

a. Participating Agencies

The State Controller's Office (SCO) presented an update on participating agencies, noting 20 new agencies, primarily school districts, have opted into the California Uniform Public Construction Cost Accounting Act (Act), bringing the number of agencies participating in the Act to 964. The SCO confirmed all new participating agencies were sent welcome letters. Chair Clifford thanked Chair Carreon for her ongoing outreach to school districts on behalf of the Act.

b. Funding Update

The SCO reported the Commission had \$8,854.90 of unrestricted funds available for its use to perform audits and outreach.

c. Inquiry Update

The SCO presented a report for all inquiries received since the last meeting, which was held on January 28, 2016. Chair Clifford noted that the inquiries were significantly less than previous reports, perhaps due to the Commission's ongoing work on the FAQ's.

6. Public Comment

There were no comments from the public.

7. Staff Comment/Requests

a. Commissioner resigning process request

Jenny Jones from the SCO asked the Commissioners to please give the Commission Chair and the SCO's Local Government Policy Section written notice if they decide to resign from the Commission, prior to their final date of service and last meeting.

b. Form 700's Update

Jenny Jones noted that Debbie Torres and Michael Gungon had attended a workshop for the filing officers at the Fair Political Practice Commission (FPPC) for Form 700. Debbie Torres is now a resource for the Commissioners to ask any questions with regard to commonly missed items on Form 700.

Ms. Torres stated that any Commissioner leaving the Commission is still obligated to file the Form 700 within thirty (30) days of termination from the Commission. In addition, a new Commissioner must file a Form 700 within thirty (30) days of joining the Commission. Mr. Kayser asked a couple of questions and then noted that he would follow up with Ms. Torres to make sure that he filed a Form 700 timely.

Ms. Torres also noted that each Commissioner must provide signed originals to the SCO Local Government Policy Section, ATTN: Debbie Torres. She mentioned that if Commissioners are filing their Form 700 electronically with another agency, the SCO will still need an original signature cover page, along with any attached schedules mailed to the SCO Local Government Policy Section. Ms. Torres also mentioned that SCO staff will no longer amend the Form 700. The FPPC will send amendments if there are errors or if the form is incomplete.

8. Reports of Officers

a. Chair

Chair Clifford thanked Ms. Torres for ensuring that there was an Orientation Guide for each Commissioner in their folder. Chair Clifford asked Ms. Torres to email a copy to the Commissioners who were absent.

Chair Clifford also addressed absences and whether the Commission should have a policy regarding acceptable or approved absences, considering that this was the first meeting where a quorum was in question in the eight years since she began serving on the Commission. She asked the Commissioners to consider this issue and be prepared to discuss it in more detail at the next meeting.

b. Vice Chair

Commissioner Clemens, had no discussion items.

c. Secretary

Commissioner Carreon provided an update on the various presentations for CUCCAC that she is doing in an effort to encourage more schools to participate in the Act. Commissioner Carreon also stated she is outreaching to four districts that are in her upcoming schedule.

9. Committee Reports (Refer to attachment Item 8a)

a. Frequently Asked Questions (FAQs) – Review and discuss

FAQ's were approved with the following amendment brought forth by Commissioner Clemens for the correction in FAQ #12:

Remove the following sentence and word.

- "The Act required that all participating agencies must have an informal bidders list. However,"

Replace "does allow" with "provides". **(The motion passed 8-0 on a roll call vote)**

b. Legislative Update

- i. Since Commissioner Bernacchi was absent there was no legislative update. Commissioner Carreon will be reviewing the entire manual to identify any still pending items that may need legislative approval from previous work.

c. CUCCAC Manual Update

- i. The deletions of the templates was agreed to by the Commission and Ms. Torres was asked to provide a copy of the current draft entire manual for Commissioner Carreon to review.
- ii. *Proposed changes – non-legislative.* Commissioner Carreon will also review and inform Chair Clifford and Ms. Torres if any of the non-legislative changes have not been included.
- iii. *Proposed changes – legislative*
There are no proposed legislative changes currently; however, after Commissioner Carreon's review and with Commissioner Bernacchi's input there may be some minor changes to be included in the next legislative session. The Commission continues to work on a source of funding with the SCO's office also.

10. Commissioner Comments/Requests

There were no Commissioner comments or requests.

11. Old Business

Ventura County Chair Clifford provided the proposed letter to be sent to Mr. Jeff Pratt, Director of Public Works for the County of Ventura, in regards to the Commission's findings in regards to the Commission's decision to rescind the violation notification and remove the "strike" from the County of Ventura's record as related to the Act. The Commission discussed the letter and the fact that SCO legal counsel has advised that too much time has passed to make any further review of this specific project and address the complaints by Construction Industry Force Account Council (CIFAC).

Chair Clifford, opened discussion to the public for comment.

Shari Bacon from CIFAC stated she wanted to know if the Commission was going to review the County of Ventura's accounting procedures as she did not see that information in the letter.

Chair Clifford stated the action was outside of the timelines of the Act and the Commission is not able to pursue the matter any further. The Commission cited a section code that did not allow for a "citation" by the Commission. This occurred because the discussion was focused primarily on the Road Commissioner's Authority and not on the Force Account issue in PCC 22042 and too much time has passed.

Michelle Tucker from CIFAC stated she would like to see a stronger worded letter to say that the County of Ventura either was in violation or might have been. Chair Clifford noted that the letter could not state that Ventura County was in violation because that finding was not made by the Commission.

Chair Clifford thanked CIFAC for all the hard work they have done on behalf of the Act and to promote agencies, cities and counties to participate. Chair Clifford noted that CIFAC's work is an important advocacy for the Act. During the eight years Chair Clifford has been on the Commission, CIFAC has brought a handful of violations to the Commission. They should continue their positive impact on helping participating members of the Act to be in compliance.

12. New Business

a. Commission Vacancies

Commission has no new vacancies. Chair Clifford reminded the Commissioners that they stand as a representative for the constituency they represent. Attendance and engagement is very important to making sure that input comes from all stakeholders.

13. Next Meeting

The Commission scheduled the next meeting date for Friday, July 8, 2016, from 10:00 am – 2:00 pm at the State Controller's Office 300 Capitol Mall, Sacramento.

14. Adjournment

Commissioner Campbell moved to adjourn, and Commissioner Cruce seconded to adjourn the meeting. **(The motion passed 8-0 on a roll call vote)** The Meeting was adjourned at 12:33 p.m.

If you would like more information regarding this meeting, please contact:

State Controller's Office
Division of Accounting and Reporting
Local Government Policy Section
LocalGovPolicy@sco.ca.gov